



State of New Jersey

Chris Christie
Governor

Office of the Attorney General
Department of Law and Public Safety
Division of Gaming Enforcement
1300 Atlantic Avenue
Atlantic City, NJ 08401

Jeffrey S. Chiesa
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Kim Guadagno
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Director

July 2, 2012

Michael A. Magazzu, Esquire
Corporate Counsel
Caesars Entertainment, Eastern Division
c/o Bally's Atlantic City
Park Place and The Boardwalk
Atlantic City, New Jersey 08401

RE: Petition #1811201

Dear Mr. Magazzu:

The staff of the Division of Gaming Enforcement's (Division) Regulatory Enforcement Bureau has reviewed Petition #1811201 filed by Showboat Atlantic City Operating Company, LLC (Showboat) dated June 29, 2012. Showboat is seeking approval to amend its Certificate of Operation and Casino Hotel Alcoholic Beverage (CHAB) License.

The Showboat is currently operating under a Certificate of Operation which was approved in Petition #1231204 on May 7, 2012, by the Division of Gaming Enforcement.

By Petition #1811201, Showboat seeks approval to complete modifications to its casino floor as depicted on the architectural drawing labeled PCO-80 dated May 22, 2012, which was prepared and certified by Michael Demling, RA, License #08676, of Michael Demling Associates (Exhibit A).



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The petitioner proposes the following:

1. Slot Zone C Add six (6) slot machines and stools.
2. Slot Zone D Remove twenty-six (26) slot machines and stools.
3. Slot Zone H Remove two (2) slot machines and stools.
4. Slot Zone J Remove two (2) slot machines and stools.
5. Slot Zone K Remove eight (8) slot machines and stools.
6. Slot Zone N Remove four (4) slot machines and stools.
7. Slot Zone R Remove twenty-nine (29) slot machines and stools.
8. Slot Zone V Add seventeen (17) slot machines and stools. Renumber slot machines from Slot Zone W as Slot Zone V.
9. Slot Zone W Remove one hundred thirteen (113) slot machines and stools. Slot Zone W will now be used for promotional tournaments and will not have live gaming.
10. Pit #1 Add one (1) Pit Stand located behind Pai Gow Tile table PT-113 with data and electric.
11. Pit #4 Add one (1) Spanish 21 table (SP-421) and one (1) Blackjack table (BJ-422).
12. Pit #7 Relocate one (1) roulette table and wheel (RO-701 to RO-714) and one (1) Blackjack table (BJ-714 to BJ-701).
13. Soft Count Room Repurpose the former Hard Count Room as the Soft Count Room with the required changes to be compliant with N.J.A.C. 13:69D 1.32.
14. Cage Main Bank Repurpose the former Soft Count Room as the Cage Main Bank with the required changes to be compliant with N.J.A.C. 13:69D 1.14.

The summary of the statistical calculations is as follows:

1. A decrease of one hundred sixty one (161) slot machines and one hundred sixty one (161) slot stools. The total number of slot machines is **2,294** and the total number of slot stools is **2,293**.
2. A increase of two (2) table games for a new total of **111** table games.
3. The casino floor area will remain the same at one hundred and eight thousand eight hundred sixty-nine (**108,869**) square feet. The Simulcast area will remain the same at seventeen thousand eighty-six (**17,086**) square feet.
The total gaming area, including Simulcast, will then be one hundred twenty-five-thousand nine-hundred fifty-five (**125,955**) square feet.
4. The allowable slot coverage (90% of 125,955 sq. ft.) is one hundred thirteen-thousand three hundred fifty-nine (**113,359**) square feet.
5. The actual slot coverage is eighty-seven thousand six hundred eighty-seven (**87,687**) square feet which is **69.6%** of the total gaming area and within the allowable 90% for slot density.

Based on the Division's authority, the requested amendments to Showboat's Certificate of Operation and CHAB license as set forth above, are hereby granted pursuant to N.J.A.C. 13:69C7.1, et seq. This approval authorizes a casino room containing and consisting of **125,955** square feet of total gaming space, **111** table games, **2,294** slot machines, **2,293** slot stools, **4** pari-mutuel machines and **3** self service pari-mutuel machines as referenced in the Petitioner's letter.

Please note that the designation of smoking areas in casinos is subject to the jurisdiction of the N.J. Department of Health and Senior Services and the Atlantic City Department of Health and Human Services, not the Division. Accordingly, this letter should in no way be construed as approving areas of the gaming floor for smoking.

This approval is subject to the following conditions:

- A. That revised operational blueprints reflecting the changes approved herein be submitted to the Division's Regulatory Enforcement Bureau, casino licensee's security podium and the casino licensee's CCTV monitoring room;

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- B. That a revised Table Game and Roulette Wheel inventory list are submitted to the in-house Division office;
- C. That a revised Slot Master List is submitted to the Technical Service Bureau of the Division;
- D. That Showboat notifies the Division immediately in the event of any modification to the approvals granted herein;
- E. That Showboat complies with CCTV requirements identified in N.J.A.C. 13:69D-1.10 regarding the requirements to record all gaming tables whether active or inactive;
- F. That all events capable of being monitored must be accessible from the Division's CCTV monitoring system as required by N.J.A.C. 13:69D-1.10(a)3;
- G. That all steps are taken to ensure maximum patron comfort and safety during the period of renovation;
- H. That any additional CCTV camera locations shall be provided to the Division once the Soft Count Room and Cage Main Bank area is completed. This is required prior to the inspection and use of these areas;
- I. That the Division's Forensic Audit Unit is notified prior to any movement of computers and currency counting equipment into the new Soft Count Room;
- J. That Showboat submits a work flow diagram pursuant to N.J.A.C. 13:69D 1.32(g) prior to the Soft Count Room move;
- K. That Showboat complies with all requirements and conditions appended to approvals received from all involved agencies of government whose approvals are required in order for a Certificate of Occupancy for the general public to be issued including, but not limited to, the Department of Community Affairs and the local construction official; and,
- L. Once modifications have been completed, a satisfactory inspection and approval by the Division is required to ensure the changes made conform to the petition. The review also includes, but is not limited to, an assessment of the adequacy of CCTV and security coverage. Such inspection must be done **prior to the proposed areas being used for gaming activity.**

To schedule an inspection, please contact the Division at inspections@njdgc.org.

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If you have any questions, please do not hesitate to contact Bill Kendzierski of my staff at 441-7557.

Sincerely,

A handwritten signature in cursive script, appearing to read "Don Errera", followed by a long horizontal flourish.

Don Errera, Deputy Chief
Regulatory Enforcement Bureau

C: BEL/DE
Chuck Kimmel, DGE
Lisa Spengler, DGE
DGE Intake Unit
C-33-12-020